

# Buyer's Guide



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# 01

## Let's Talk!

We'll set up an initial consultation to walk you through the process, answer any questions you have, and set up a plan to best position you in today's marketplace.



# 02

## Get Pre-Qualified

Before beginning your search, your first step is to get pre-approved for a mortgage loan (unless you will be paying the full price of your home in cash). We can connect you to trusted mortgage bankers that we've personally worked with and know can get the job done efficiently. Based on your income and credit history, they will determine how much a bank will lend you, which will help you determine the price range for your search.

# 03

## Visit Properties

We will work with you to identify properties that fit your needs and curate property tours for you. We will keep you updated on exclusive Coming Soon and Off-Market properties as they hit our radar.

# 04

## Packaging and Submitting Offers

Once you identify a home you like, we will make a game plan for putting in an offer. This offer is packaged with a Proof of Funds (POF) and Mortgage Pre-Approval Letter. Note: if your offer is lower than the list price or with terms not acceptable to the seller, the seller will likely return with a counter-offer price or acceptable terms, which you can accept, reject, or make another counter-offer.





# 05

## Escrow Process

(Life of an Escrow: 30 & 45 day escrow period)

**Day 1** Once offer is accepted, escrow is officially open and the clock begins on contingencies\*

**Day 2** Contact your insurance agent for homeowners coverage

**Day 3** Initial deposit is due per terms of agreement

**Day 1–17** Seller delivers disclosures to buyer. Buyer performs inspections (Step 6)

**Day 1–21** Loan is in underwriting and appraisal occurs (Step 7)

**Day 7–30 | 21–45** Seller signs grant deed and staging is removed, if any (Step 7)

**End of Escrow** Within final week of escrow period, buyer signs loan and closing documents and wires in closing funds (Step 10)

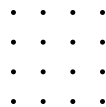
**Day 30–45** Loan funds and escrow closes (recordation)

\*This escrow process is based on a standard 30–45 day transaction

# 06

## Home Inspections: Review Disclosures, Reports & Repairs

It is the buyer's duty to schedule all desired home inspections and determine the overall condition of the property within the agreed timeline and contractual contingencies. Buyer will also review the disclosures and preliminary title report. You may approve or negotiate credits/repairs. Prior to closing, remember to schedule a final walk-thru of the property to verify property is still in acceptable condition and any negotiated repairs were done.



# 07

## Loan, Appraisal, & Closing

Organize an appraisal with your bank. Your completed mortgage application with all supporting documentation should be submitted to your chosen lender upon receipt of the fully signed Purchase Agreement. The bank then issues loan approval. Consequently, the buyer wires the closing funds with the homeowner's insurance in place, and then the loan will be funded with clearance to close.

# 08

## Welcome Home!

Congratulations! You are now a homeowner.

# Key Terms

**Appraisal** Assessment of the property's market value, for the purpose of obtaining a mortgage and performed by a licensed appraiser.

**Assessed Value** Value placed upon property for property tax purposes by the tax collector.

**Closing Costs** Expenses incidental to a sale of real estate, such as loan fees, appraisal fees, title insurance and escrow fees.

**Closing Statement** The statement which lists the financial settlement between Buyer and Seller, and the costs each must pay.

**Contingency** Certain criteria that have to be met in order to finalize the sale.

**Conventional Mortgage** A mortgage or Deed of Trust not obtained under a government insured program such as FHA or VA.

**Credit** Money given to a buyer from a seller through escrow at closing.

**Escrow** A neutral third party that handles the transfer of any money during the sale of a home from initial deposit to final funding and closing.

**Earnest Money Deposit** Buyers in California usually deposit 3% of the purchase price to show that the buyer is serious about purchasing the home. It is usually refundable in the event a contingency in the sales contract cannot be met.

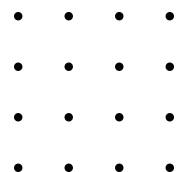
**Fixed Rate Mortgage** A loan on which the interest rate and monthly payment do not change.

**Home Warranty** A policy that covers certain repairs (e.g. plumbing/heating) of a newly purchased home for a period of time, typically one year.

**Preliminary Title Report** A report showing the condition of title before a sale or loan transaction. After completion of the transaction, a new title insurance policy will be issued.

**Title Insurance** Insurance to protect the buyer and lender against losses arising from disputes over the ownership of a property.

**Recording Fees** Money paid to the lender for recording a home sale with the local authorities, thereby making it part of the public records.



# Townhouses & Multi Family Homes

## Closing cost estimates for the purchaser

FEE	ESTIMATED COST
<b>Attorney</b>	
Your Attorney	Consult your attorney ~\$2,500 - \$5,000+
<b>Bank</b>	
Points	~0 - 3% of the loan value
Bank Loan Application Fees	\$400 - \$600
Bank Attorney	\$900 - \$1,500
Appraisal	~\$300 - \$1,500
Tax Escrow	~2 - 6 months of property taxes
Lenders Policy Title Insurance	Rates may vary
Mortgage Origination Fee	~0 - 3% of loan value
Mortgage Recording Tax	1.8% of mortgage amount < \$500,000 1.925% of mortgage amount > \$500,000+
<b>Government</b>	
Recording Fees	~\$250
Municipal Search	0.4% of purchase price
Miscellaneous Title Fees	\$100
Real Estate Tax Adjustment	\$125
Mansion Tax	\$1M to < \$2M: 1.00% \$2M to < \$3M: 1.25% \$3M to < \$5M: 1.50% \$5M to < \$10M: 2.25% \$10M to < \$15M: 3.25% \$15M to < \$20M: 3.50% \$20M to < \$25M: 3.75% \$25M or more: 3.90%

# Co-ops

## Closing cost estimates for the purchaser

FEE	ESTIMATED COST
<b>Attorney</b>	
Your Attorney	Consult your attorney ~\$2,500 - \$5,000+
Lien Search Fee	~\$350
<b>Bank</b>	
Points	~0 - 3% of the loan value
Bank Application, Credit Check, etc	\$400 - \$600
Bank Attorney	\$900 - \$1,500
Mortgage Origination Rate	~0 - 3% of the loan value
UCC 1 Filing	\$125
Appraisal	~\$300 - \$1,500
<b>Building</b>	
Board Package Processing Fees	\$500 - \$2,000
Credit Check Fee	\$100 - \$300 per buyer
Move-in Fee	\$250 - \$500
Move-in Deposit	\$500 - \$1,000 (refundable)
Maintenance Adjustment	Pro-rated for the month of closing
Recognition Agreement Fee	\$200 - \$300
Miscellaneous Co-op Charges	Varies by building. Consult the co-op's transfer agent & board package
<b>Government</b>	
Transfer Tax Filing Fee	\$100
Mansion Tax	\$1M to < \$2M: 1.00% \$2M to < \$3M: 1.25% \$3M to < \$5M: 1.50% \$5M to < \$10M: 2.25% \$10M to < \$15M: 3.25% \$15M to < \$20M: 3.50% \$20M to < \$25M: 3.75% \$25M or more: 3.90%

# Condominiums

## Closing cost estimates for the purchaser

FEE	ESTIMATED COST
<b>Attorney</b>	
Your Attorney	Consult your attorney ~\$2,500 - \$5,000+
<b>Bank</b>	
Points	~0 - 3% of the loan value
Bank Application, Credit Check, etc	\$400 - \$600
Bank Attorney	\$900 - \$1,500
Appraisal	\$300 - \$1,500
Tax Escrow	~ 2 - 6 months of property taxes
Mortgage Recording Tax	1.8% of mortgage amount < \$500,000 1.925% of mortgage amount > \$500,000+
Mortgage Origination Fee	~0 - 3% of loan amount
<b>Building</b>	
Board Package Processing Fees	\$500 - \$2,000
Move-in Fee	\$250 - \$1,000
Move-in Deposit	\$500 - \$1,500 (refundable)
Common Charges Adjustment	Pro-rated during the month of closing
Condo Credit Check	\$300 - \$500 per buyer
<b>New Development</b>	
Residential NYC Transfer Tax*	1% < \$500,000 1.425% > \$500,000+
Progressive NY State Transfer Tax*	0.4% for Residential transactions < \$3M 0.65% for Residential transactions > \$3M

\*NYC & NYS Transfer Taxes are paid by the purchaser in case of a new development

FEE	ESTIMATED COST
<b>Government &amp; Title</b>	
Recording Fees	~\$250
Title Insurance	~0.45% of purchase price
Municipal Searches	\$350 - \$500
Real Estate Tax Adjustment	Pro-rated amount depends on when the tax is collected
Mansion Tax	\$1M to < \$2M: 1.00% \$2M to < \$3M: 1.25% \$3M to < \$5M: 1.50% \$5M to < \$10M: 2.25% \$10M to < \$15M: 3.25% \$15M to < \$20M: 3.50% \$20M to < \$25M: 3.75% \$25M or more: 3.90%
Residential Deed Transfers Title	\$75
Fee Closer	\$100 - \$500
Lenders Policy Title Insurance	Rates may vary